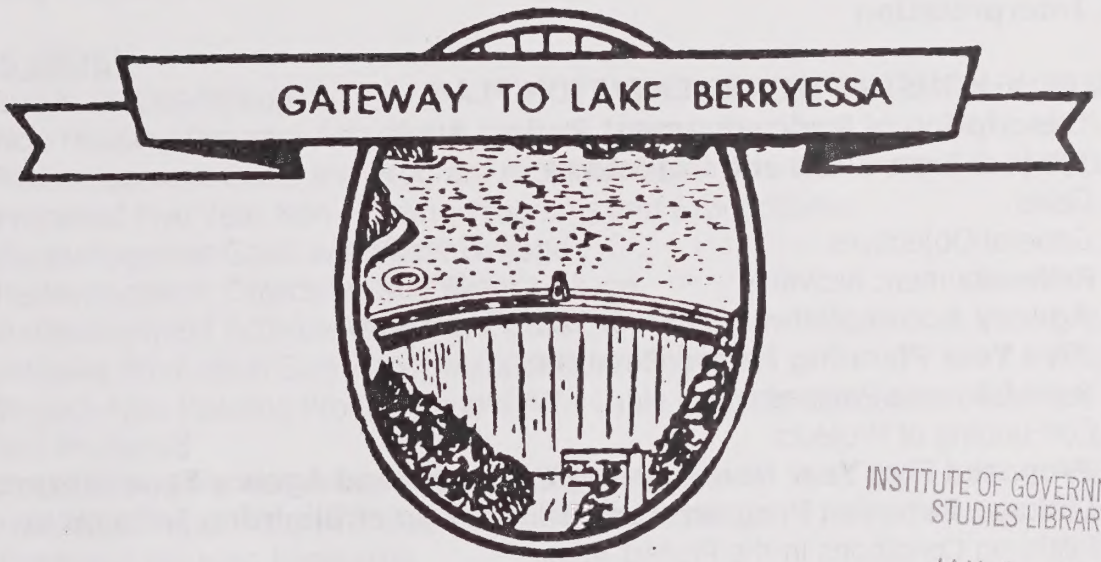
2005 0021

Winters Community Development Project
Implementation Plan



INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY
JAN 10 2005
IVERSITY OF CALIFORNIA

WINTERS COMMUNITY DEVELOPMENT AGENCY
2003 – 2008

TABLE OF CONTENTS

EXECUTIVE SUMMARY **P. 1**

I. INTRODUCTION **P. 4**
A. Organization **P. 5**
B. Interpretation **P. 5**

II. NON-HOUSING IMPLEMENTATION PLAN **P. 6**
A. Description of Redevelopment Project Area **P. 6**
B. Project Area Goals and Objectives **P. 6**
1. Goals P. 6
2. General Objectives P. 7
3. Redevelopment Activities P. 7
C. Agency Accomplishments Over Last Five Years **P. 9**
D. Five Year Planning Period Revenues **P. 10**
1. Bond Issuance Proceeds P. 10
2. Co-Funding of Projects P. 10
E. Proposed Five Year Non-Housing Programs and Agency Expenditures **P. 11**
F. Linkage Between Programs and Elimination of Blighting Influences **P. 11**
1. Blighting Conditions in the Project Area P. 11
2. Linkage Between Programs and Elimination of Blighting Influences P. 12
a. Public Infrastructure P. 12
b. Public Facilities P. 12
c. Parks P. 12
d. Economic Development P. 13
e. Project Area Planning P. 13
f. Agency-Owned Property Disposition and Development P. 13

III. WINTERS HOUSING IMPLEMENTATION PLAN **P. 16**
A. Agency Accomplishments **P. 16**
B. Overview of Legal Requirements **P. 16**
1. Implementation Plan Requirements: Housing Activities P. 16
2. Major Statutory Provisions of CRL for Affordable Housing P. 16
C. Affordable Housing Projection (Inclusionary) Obligations **P. 17**
1. Historical Housing Production in the Project Area P. 17
2. New Construction – Multi-Family P. 19
3. New Construction – Single Family P. 19
4. Rehabilitation P. 19
5. Project Future Housing Production and Agency Obligations P. 20
6. Affordable (Inclusionary) Housing Production P. 20
D. Replacement Housing Obligation **P. 21**

E. Housing Set-Aside Fund **P. 21**
1. History and Status P. 22
2. Deposits During Next Five Years P. 22
3. Proposed Housing Activities & Projected Expenditures P. 23
F. Projection for Annual Unit Production in the Project Area **P. 23**
G. Goals, Policies and Programs **P. 23**
1. Housing Goals P. 23
2. Housing Programs P. 24

TABLES INDEX

II-1 Summary Description P. 6
II-2 Non-Housing Program Activities P. 8
II-3 Redevelopment Goals and Program Activities Matrix P. 9
II-4 Proposed Five Year Non-Housing Programs and Expenditures P. 11
II-5 Redevelopment Goals and Blight Linkage P. 13
II-6 Redevelopment Objectives and Blight Linkage P. 14
II-7 Redevelopment Activities and Blight Linkage P. 15
III-1 Housing Production Summary, Historical and Projected P. 17
III-2 Project Area Housing Production and Affordable Housing Obligation, Historical and Projected P. 19
III-3 Residential Units Removed, Historical and Projected P. 20
III-4 Historical Project Area Affordable Housing Construction P. 21
III-5 Estimated Housing Resources P. 22
III-6 Affordable Housing Policies, Housing Implementation Plan, Housing Element Policies Affecting the Agency P. 24

APPENDICES INDEX

Appendix A Table 1-A Water Improvements P. 27
Table 2-A Wastewater Improvements P. 28
Table 3-A Road Improvements P. 29
Appendix B Overview of Redevelopment Housing Requirements P. 30
Appendix C Settlement Terms P. 35

2003 Five Year Implementation Plan Executive Summary

The project area of the Winters Community Development Project Area Plan includes approximately 669 acres, or 41 percent of the total land area of the City of Winters. The Winters City Council adopted the Community Development Project Area Plan in 1992, and the Winters Community Development Agency (CDA) oversees the Plan.

The agency has adopted the following mission statement as an overall framework for its redevelopment activities:

> *"To maximize the abundant potential of Winters's land, assets and people, with positive physical change that creates vibrant retail commerce, diverse and highly desirable residential neighborhoods and quality employment opportunities."*

Agency Goals

The State Community Redevelopment Law enables a local government to form a Community Development (Redevelopment) Agency when it determines that physical, social or economic problems, identified as "blight" or "blighting influences" in the State Community Development Law, exist within a community. Blight and blighting influences encompass a broad spectrum of definitions in the State Law, ranging from inadequate public improvements, to economic conditions that inhibit sound use or development of property, to physically deteriorated and dilapidated structures and facilities.

The Community Development Agency (CDA) of the City of Winters proposes to use the authority provided to it by this Plan to eliminate or reduce blight and blighting influences presently existing with the City and the Project Area, as set forth in this Plan.

This action is necessary because within the Project Area there presently exists an inadequate circulation system; mixed and shifting land uses; inappropriate and fragmented parcelization; physical deterioration of property; and inadequate public improvements, including needed flood control and storm drainage facilities, recreation improvements, traffic signalization, street reconstruction, curb, gutter and sidewalk construction, parking facilities, street lighting, and municipal services facilities – all of which inhibit proper and desirable development of the Project Area.

The overall goal of the CDA is to maximize the potential benefits of the CDA to the community, while preserving the historical ambiance and quality of life in Winters.

Agency Objectives

In order to achieve these goals, the agency has identified objectives that are designed to alleviate blighting conditions in the project area:

- To provide a stable, diversified and stronger economic base for the Project Area and Community.
- To provide safer, more efficient, and economical movement of persons and goods within the Project Area and community.
- To conserve and improve existing public facilities and to provide such new facilities as needed for the improvement of the Project Area.
- To enhance the physical environment of the Project Area and to emphasize its favorable environmental characteristics.

- To maximize opportunities for the revitalization, expansion and development of commercial and industrial uses within the Project Area.
- To improve and increase the community's supply of affordable housing in a manner consistent with the Housing Element of the General Plan and the policies of the Community Redevelopment Law.
- To accomplish these goals with minimum displacement of any property owner, resident or business person who may wish to remain within the Project Area.

Agency Programs

To achieve these goals and objectives, the agency will continue to implement current redevelopment projects and activities in the project area during the five-year period of the 2003 Implementation Plan. The programs and projects fall under the following categories:

- Public infrastructure;
- Public facilities;
- Economic development;
- Project area planning; and
- Property disposition and development.

Agency Accomplishments Since 1999

Since the adoption of the current Implementation Plan in 1999, the CDA the agency has undertaken and participated in a number of projects and activities. Some of the notable accomplishments include:

- Partnering with the Community Housing Opportunities Corporation of Davis, the California Housing Finance Agency, and the U.S. Department of Agriculture Rural Development to ensure that the Winters Apartments complex continues to provide affordable housing for low-income households and does not convert to market rate housing. This on-going project will also include rehabilitation of the apartment complex's buildings.
- Partnered with the Winters Little League for the purchase and installation of new lighting at the City Park Little League Field.
- Purchased and installed antique street lighting in the Central Business District.
- Rehabilitated the City-owned Winters Parent Nursery School building. The building was re-roofed, new double pane windows were installed, the building was repainted, and insulation was installed.
- Installed a new water line on East Abbey Street in 2002.
- Installed drainage improvements on Anderson Avenue and fire hydrants on Anderson and Mermod Road in 2002.
- Constructed the Main Street Mini Park in the heart of the historic business district with the assistance of the Chamber of Commerce and private financial support.
- Funded the City Tree Rebate Program to beautiful City streetscapes located within the redevelopment project area.
- Funded a portion of the costs for the City's Well #6 – the City's most powerful well at 150 horsepower and the only well with a permanent backup engine.

Estimated Cost of the Five Year Non-Housing Program

The CDA's estimated cost share of the five-year program of non-housing activities is $3.2 million for the period of FY 2003/04 to FY 2007/08. The agency expects that sufficient funds (through the issuance of tax increment bonds and the use of non-agency funding sources) will be available to accomplish the proposed five-year program of non-housing activities.

The agency's proposed goals, objectives, activities and expenditures for the next five years would help eliminate blighting influences in the project area by:

- Developing public facilities for fire, police, and library services.
- Revitalizing the downtown.
- Completing improvements to the water distribution and wastewater collection systems.
- Revitalizing existing public facilities – including the Community Center, Winters Parent Nursery School Building, and City Hall.
- Repairing streets.
- Improving park facilities.
- Developing a joint use facility with the Winters Joint Unified School District.

Statutory Affordable Housing Requirements

The major statutory affordable housing requirements imposed on redevelopment agencies by the California Redevelopment Law (CRL) may be categorized generally as:

- Housing Production Requirement – Specified minimum percentages of new or rehabilitated housing units in a project area are to be available at a specified affordable housing cost. This is sometimes referred to as an "Inclusionary" requirement.
- Replacement Housing Requirement – Agencies must replace housing units removed from the housing stock as a result of redevelopment activities.
- Housing fund Requirement – Redevelopment agencies are required to expend specified percentages of tax increment revenue for the provision of affordable housing.

The Winters Community Development Agency has historically met its legal obligations under the CRL and Housing Element Law. The housing production and replacement housing numbers used in this report represent the best available information to date.

Housing Production Requirement

From the inception of the project area in July 1992 and through 2002, the agency has met the CRL housing production requirement that 15 percent of the housing units newly developed or substantially rehabilitated in the project area must be affordable to very low, low and moderate income households, of which six percent of units developed or rehabilitated must be affordable to very low income households earning 50 percent of the median income or less. The agency intends to meet its affordable housing production requirements in the next ten years and throughout the life of the project to 2032.

- Historically, since the inception of the project area in 1992, the agency estimates that 267 dwelling units have been produced in the project area: 263 new units and 4 substantially rehabilitated units. Of these, 82 are affordable to low and moderate income households. These are units "produced" which generate an inclusionary housing obligation.
- Between 2003 and 2007, the agency projects that a total of 163 dwelling units will be constructed in the project area. Of these, 25 will be affordable to very low, low and moderate-income households.

- From 2003 until the end of the Project (2032), the agency estimates that 555 new or substantially rehabilitated dwelling units will be developed within the project area.

Replacement Housing Requirement

Historical

- To date, the agency's activities have not resulted in the loss of any housing units from the housing stock. As a result, the agency has yet to incur any replacement housing obligations.

Projected

- The agency anticipates removing few (less than 30) if any housing units from the housing stock during the term of the Implementation Plan (2003 – 2008).

Housing Fund Requirement

Since 1992, the agency has committed at least 20 percent of its tax increment revenues, which are deposited into the housing set-aside fund (housing fund) to support the production of very low, low and moderate-income housing and will continue to do so in the future.

- Last year, the agency approved the expenditure of up to $250,000 in its housing set-aside funds to assist the Community Housing Opportunities Corporation in the purchase and rehabilitation of the Winters Apartments complex, a 44-unit facility, to ensure that the complex does not convert to market rate housing and continues to be affordable to low and very low-income households. With these funds encumbered, the housing fund's unencumbered balance effective January 31, 2003 is $386,007.
- The agency projects depositing tax increment bond proceeds from one and possibly a second bond issuance in the housing fund, between 2003 and 2008 (Fiscal Years 2003/2004 through 2007/2008), meeting its 20 percent obligation. The agency anticipates expending all of these funds on housing activities, leaving the housing fund with a zero balance at the end of Fiscal Year 2007/2008.

Annual Goals

- Over the next ten years, the Community Development Agency will continue to dedicate its housing activities to assist in the achievement of the City's goals, policies and programs described in the City's *Draft* 2003 Housing Element Update.

I. INTRODUCTION

The California Community Redevelopment Law (CRL) requires each Community Development Agency administering a redevelopment plan to prepare and adopt a five-year implementation plan. The principal goal of the Implementation Plan is to guide an agency in implementing its redevelopment programs to help eliminate blighting influences. In addition, the affordable housing component of the Implementation Plan provides a mechanism for a Community Development Agency to monitor its progress in meeting both its affordable housing obligations under the CRL and the affordable housing needs of the community. In effect, the Implementation Plan is a guide, incorporating the goals, objectives and potential programs of an agency for the next five years, while providing flexibility so the agency may adjust to changing circumstances and new opportunities.

This document constitutes the Implementation Plan for the Winters Redevelopment Project Area. This Implementation Plan outlines the proposed program of revitalization, economic development, and affordable housing activities of the Winters Community Development Agency for the required five-year

planning period that includes FY 2003/04 through FY 2007/08. In addition, information for later years is also provided where it is available or required.

A. ORGANIZATION

Generally, the Implementation Plan must contain the following information:

- Specific goals and objectives for the next five years for both the housing and non-housing activities.
- Specific programs and expenditures for the next five years for both housing and non-housing activities.
- An explanation of how the goals, objectives, programs and expenditures will assist in the elimination of blight and in meeting affordable housing obligations.
- Other information related to the provision of affordable housing.

These Implementation Plan requirements cover two broad categories of redevelopment activities. Consequently, this Implementation Plan is organized into two parts. Chapter II sets forth the requirements for non-housing activities and related expenditures. Chapter III addresses affordable housing activities and expenditures and charts agency progress in meeting its affordable housing obligations. Chapter III also includes the Affordable Housing Production Plan (also known as the AB 315 Plan).

B. INTERPRETATION

This Implementation Plan is intended to provide general guidance for the implementation of the agency's programs and activities. It is expected that particular constraints and opportunities, not fully predictable at this time, will arise in the course of undertaking the programs and activities described in this Implementation Plan over the next five years. Therefore, the agency intends to use and interpret this Implementation Plan as a flexible guide. The agency acknowledges that specific programs and activities as actually implemented over the next five years may vary in their precise timing, location, cost, expenditure, scope and content from that set forth in this document.

II. NON-HOUSING IMPLEMENTATION PLAN

A. Description of Redevelopment Project Area

The redevelopment project area includes 669 acres, or 41.6 percent of the total land area of the City of Winters. Generally, the project area includes most of the City south of Grant Avenue and portions of the City north of Grant. (See Table II-1 for a summary of the project area and Figure II-1 for a map of the project area.)

The Winters City Council adopted the project area in 1992 and established the Community Development Agency to oversee and have jurisdiction over the Redevelopment Project. The Winters City Council established the Redevelopment Plan for the project area through Ordinance No. 92-08.

Table II-1
Summary Description

Acres	669
Adopted	July 20, 1992
Base Assessed Value	$61,667,954
Time Limits under AB 1290	
Incurring Debt[1]	July 19, 2012
Project Activities	July 19, 2032
Tax Increment Receipt	July 19, 2042
Time Limit for Use of Eminent Domain	
Eminent Domain Expiration	July 20, 2004
Financial Capacity (As of 6/30/02)	
Tax Increment Received FY 2001-2002	$388,506.12
Bonded Indebtedness Outstanding	$-0-

Source: Winters Community Development Agency, 2003.

B. PROJECT AREA GOALS AND OBJECTIVES

1. Goals

The Implementation Plan provisions of the CRL require the agency to establish goals and objectives for the project area for the five-year planning period.

The agency has adopted the following mission statement as an overall framework for its redevelopment activities:

> *"To maximize the abundant potential of Winters' land, assets and people, with positive physical change that creates vibrant retail commerce, diverse and highly desirable residential neighborhoods and quality employment opportunities."*

This mission statement provides the basis for the following set of redevelopment goals:

- Alleviate and prevent the spread of blight and deterioration through redevelopment, rehabilitation and development.
- Construct needed capital improvements and facilities to benefit all segments of the project area.
- Attract additional retail and industrial development to serve the Winters community and the greater region.

[1] Ten-year extension available if necessary to eliminate remaining blight.

- Support development of new housing and rehabilitation of existing housing for all income levels.
- Provide the necessary assistance to increase local employment opportunities, primarily through the development of vacant or underutilized land

2. General Objectives

To achieve these goals the agency identified specific objectives designed to alleviate the blighting conditions in the project area that constrain development. These objectives include:

- Construct needed public facilities and improvements, including civic improvements for public safety, libraries, and the general community.
- Upgrade, expand, and rebuild non-existent and/or aging infrastructure systems to support new development, including improvements to storm water collection and drainage systems, street lights, pedestrian circulation improvements, passive and active open space, and similar public improvements.
- Provide mechanisms to upgrade existing private residential and commercial buildings to ensure their preservation and enhancement and to increase their economic life and value. Use redevelopment funds as leverage for grants such as Community Development Block Grant (CDBG) Housing Rehabilitation and Business Loan Programs.
- Pursue specific opportunities to attract development to the project area through market analysis, specific plans, and, marketing efforts.
- Implement an effective economic development strategy designed to attract and retain employers to the project area.
- Improve the traffic circulation system, which has constrained development and divided neighborhoods.

3. Redevelopment Activities

The agency identified a number of programs and projects to achieve the goals and objectives of the Redevelopment Plan. The agency will continue to implement these programs and projects during the five-year period of the 2003 Implementation Plan (FY 2003/04 to FY 2007/08). A number of these programs continue to be dependent upon the response of the private sector to agency initiatives. Other program elements are dependent upon funding sources not under agency control and other factors. Programs identified include the following:

- Public Infrastructure: Improve, construct and reconstruct major public systems, such as streets, roads, water, and wastewater and storm drainage systems.
- Public Facilities: Rehabilitate, develop and improve parks, recreational facilities and public buildings and facilities.
- Economic Development: Design and implement activities and programs to strengthen existing industrial and commercial enterprises and retailers, and attract new businesses which will provide quality jobs.
- Project Area Planning: Implement planning projects that guide land use, transportation, public facilities, and recreation development. Maintain the City's balance between commercial, residential and industrial developments with thoughtful planning.
- Property Disposition and Development: Improve and arrange for development of property by private sector developers that will promote and support the City's redevelopment efforts.

The program activities are described in Table II-2. Table II-3 correlates these project activities to the non-housing redevelopment goals listed above.

Table II-2
Non-Housing Program Activities

Program Activities	Summary Descriptions
Public Infrastructure	
Various Water Improvements	Install new water mains and complete other improvements at locations throughout the project area; see specific locations and detailed descriptions in Appendix A, Table 1-A.
Various Wastewater Improvements	Install new sewer mains at locations throughout the project area; see specific locations and detailed descriptions in Appendix A, Table 2-A.
Various Road Improvements	Reconstruct failed streets (Jackson Street, sections of McArthur Avenue and Mermod Place, and other failed streets in project area), restore Winters' historic Southern Pacific Railroad Trestle (bridge) for use by pedestrians and bicyclists, rehabilitate or replace the two vehicle bridges on Railroad Avenue, and complete other roadway improvements at locations throughout the project area; see specific locations and detailed descriptions in Appendix A, Table 3-A.
Public Facilities	
Construct New Facilities	Construct a civic center.
	Construct a joint-use fire and police facility.
	Construct a joint-use library with Yolo County and the Winters Joint Unified School District.
	Construct joint-use facilities with the Winters Joint Unified School District.
	Construct a senior citizen center.
	Relocate the City's Public Works and the Winters Joint Unified School District's Corporation Yards to a joint facility.
Revitalize Existing Facilities	Improve the Community Center, Winters Parents Nursery School building, and City Hall.
Parks	
Construct New Parks	Construct a multi-sports field active park facility at the City's Landfill.
	Acquire land and construct park facilities within the project area.
	Construct an amphitheatre behind the Community Center for concerts and plays.
Revitalize Existing Facilities	Complete improvements to City, Valley Oak, Blue Oak, and Rotary Parks.
	Continue efforts to improve the Putah Creek Nature Park with native plantings, trails, access points, interpretive signage, and other amenities.
Economic Development	
Downtown Revitalization	Provide economic incentives for infill development, facilitate seismic retrofits in downtown business district, improve streetscapes (sidewalks, landscaping, furnishings, etc.), upgrade building facades, construct a parking facility in or adjacent to the central business district.
Project Area Planning	
Master Plan	Prepare a master plan/special zoning designation for a portion of the central business district in order to enhance the development prospects of this area.
Property Disposition and Development	
Property Acquisition	Acquire available lands to advance goals of the agency.

Table II-2
Non-Housing Program Activities (cont.)

Marketing	
Project Area Marketing	Increase visibility and attractiveness of project area to prospective businesses and developers.

Source: Winters Community Development Agency, 2003.

Table II-3
Redevelopment Goals and Program Activities Matrix

Program Activities					
Redevelopment Goal	**Public Infrastructure**	**Public Facilities**	**Economic Development**	**Project Area Planning**	**Property Disposition/Development**
Alleviate and prevent spread of blight and deterioration.	✓	✓	✓	✓	✓
Attract additional retail/industrial development.	✓	✓	✓	✓	✓
Eliminate obstacles to development of office space and retail uses.	✓	✓	✓	✓	✓
Support development of housing for all income levels.	✓		✓	✓	✓
Provide necessary assistance to increase local employment opportunities.			✓	✓	✓

Source: Winters Community Development Agency, 2003.

C. AGENCY ACCOMPLISHMENTS OVER LAST FIVE YEARS

A number of projects and activities have been undertaken in the project area since 1998. Following is a list of projects and activities accomplished over the last five years:

PARK IMPROVEMENTS

City Park Little League Field Lights
The CDA partnered with the Winters Little League for the purchase and installation of new lighting at the City Park Little League Field.

City Park Signage
The CDA purchased sturdy, attractive wood signs for identification and beautification purposes and the signs were installed at City Park.

Main Street Mini Park
The CDA constructed the Main Street Mini Park in the heart of the historic business district with financial assistance from the Chamber of Commerce and private individuals.

STREETSCAPE IMPROVEMENTS

Central Business District Antique Street Lighting

The CDA purchased and installed 18 antique-style street lighting poles in the Central Business District (Railroad Avenue and Main Street). A number of cobra-head street lights were removed to accommodate the new antique lights. The new light poles were selected to blend in with the historic buildings found in the Central Business District.

FACILITY IMPROVEMENTS

Winters Parent Nursery School Building Rehabilitation

The CDA rehabilitated the City-owned Winters Parent Nursery School building. The highlights of the project include the replacement of the roof, installation of double pane energy-efficient windows, repainting of the building, and the installation of insulation.

WATER/SEWER/DRAINAGE IMPROVEMENTS

The CDA funded the installation of a new water line on East Abbey Street, drainage improvements on Anderson Avenue, and fire hydrants on Anderson and Mermod Road in 2002.

D. FIVE YEAR PLANNING PERIOD REVENUES

Over the next five years, the agency will undertake those activities that can be financially supported by its revenue stream. The agency has two basic revenue sources:

- Bond issuance proceeds
- Non-agency financial resources

1. 2003 Tax Increment Bond Issuance Proceeds

Bond proceeds will be the principal source of revenue to finance the proposed non-housing projects over the five year planning period. The agency expects to finance approximately $4 million in bonds in 2003 for both non-housing and housing projects and this could increase to $8 million with a second bond issuance during the five-year planning period.

2. Co-Funding of Projects

Wherever possible, the agency will leverage other funds in connection with its redevelopment efforts. The agency has targeted local, state and federal funding sources to assist with the financing of eligible projects. As permitted by law, possible funding sources include government grants and assistance programs, as well as private sector sources. The agency will pursue funds from a number of sources including the following:

- Federal/State CDBG (Community Development Block Grant) funds
- State CalHFA (California Housing Finance Agency) funds
- Federal/State HOME funds
- Federal TEA 21 (Transportation Equity Act for the 21st Century) funds
- Federal EDA (Economic Development Administration) funds
- Various State Parks and Recreational Facilities grants

E. PROPOSED FIVE-YEAR NON-HOUSING PROGRAMS AND AGENCY EXPENDITURES

The agency has developed programs to implement its goals and objectives during the five-year Implementation Plan period. Table II-4 presents estimated expenditures for each program. These programs and activities are the result of the process to create an effective overall development and redevelopment strategy for the Winters Redevelopment Project.

The agency anticipates issuing $4 million in tax increment bonds in Fiscal Year 2003-2004. Of this amount, $3.2 million (or 80-percent) will be allocated to non-housing programs and expenditures while $800,000 (or 20-percent) will be allocated to affordable housing programs. Table II-4 provides information on the estimated five-year expenditure levels for non-housing programs. The total expenditures are based on the availability of $3.2 million in funds from a bond issuance and $800,000 in tax increment not reserved for bond debt service. If remaining funds are available, the agency will use its annual budget process to establish funding priorities for these funds.

Table II-4

PROPOSED FIVE-YEAR NON-HOUSING PROGRAMS AND EXPENDITURES	
Program Activities	**Proposed Funding Level**
Public Infrastructure	$1,285,000
Public Facilities	$1,025,000
Parks	$550,000
Economic Development	$500,000
Project Area Planning	$90,000
Property Acquisition/Disposition and Cleanup	$450,000
Marketing	$100,000
TOTAL	**$4,000,000**

Source: Winters Community Development Agency, 2003.

F. LINKAGE BETWEEN PROGRAMS AND ELIMINATION OF BLIGHTING INFLUENCES

The Implementation Plan must provide an explanation of how the goals, objectives, programs and expenditures for the next five years will serve to eliminate blighting conditions in the project area. To provide this explanation, it is first useful to summarize the blighting influences that continue to affect the Winters Redevelopment Project.

1. Blighting Conditions in the Project Area

When the project area was adopted by the City of Winters in 1992, the project area suffered from a number of significant blighting influences. Despite the agency's implementation of its program to date, many of these conditions remain and continue to impair the project area's development. This is largely a result of the size of the project area and the extent of blighting conditions present in it.

Specifically, the following conditions remain and continue to act as a detriment to development in the project area.

- Obsolete, aged, deteriorated, vacant, and under-utilized buildings as well as buildings with empty second floors (Buckhorn Restaurant, Putah Creek Café, Masonic Hall, and Greenwood buildings).
- Inadequate and deteriorated public improvements, including water delivery systems, storm drains, sewer collection systems, roadways, and sidewalks throughout the project area.
- Deteriorated housing conditions and a lack of quality housing opportunities for a wide range of income levels.

- A lack of neighborhood-serving retail uses and services for the residents of the project area and adjacent neighborhoods.

2. Linkage Between Programs and Elimination of Blighting Influences

The agency's proposed goals, objectives, programs and expenditures, as outlined in Sections B and E above, will help eliminate blighting influences in the Winters Community Development Project Area in the following manner:

a. Public Infrastructure

Various Water Improvements

Within the project area are a number of water mains that are either under-sized, significantly old (with some mains in excess of 100-years-old), or a combination of the two. Replacement of these water mains will significantly improve the water distribution system, assist existing residential areas, and improve the commercial development potential of the project area.

Various Wastewater Improvements

Several of the wastewater mains in the project area are aged and inadequately sized. Replacement of these wastewater mains will increase the wastewater collection system capacity to assist existing residential areas and improve the commercial development potential of the project area.

Various Road Improvements

The project area contains a number of street sections that have deteriorated to the point of failure and will require reconstruction. In addition, the three roadway bridges in the project area (two vehicle bridges and a pedestrian/bicyclist bridge) are in need of rehabilitation or reconstruction). Reconstruction of the street sections and rehabilitation or replacement of the bridges will improve the traffic circulation in the project area.

b. Public Facilities

Fire and Police Facility

Both current fire and police facilities are of inadequate size and lack areas to expand. An adequately sized joint-use fire and police facility will accommodate additional staff as the City grows, provide scale of economies for the office and other operations, increase the on-site training capabilities, and free up properties in the project area that can be better utilized for commercial and other uses.

Library Facility

The Winters Branch of the Yolo County Library is housed in a cinderblock building built 50 years ago originally as an office for the U.S. Bureau of Reclamation during its construction of the Monticello Dam. The population of the City has more than tripled since construction of the building. A new joint-use facility with participation by Yolo County, the Winters Joint Unified School District, and the City of Winters will provide a library with sufficient floor space to serve a population of approximately 2000 grade school children, the Winters Community in general, and allow for a dedicated parking area for the library's visitors. With the construction of a joint-use library facility, the existing building, which lies in the heart of the project area and on the edge of the central business district, can then be converted to another use.

c. Parks

Construction of New Parks

Both the City and project area suffer from the limited amount of park acreage – particularly athletic fields for youth and adult soccer, baseball, and softball. Construction of a multi-sports field active park facility at the City's Landfill and an amphitheatre behind the Community Center will alleviate this problem.

d. Economic Development

Central Business District Improvements
Various improvements to the central business district (for streetscapes, building façade upgrades, and other improvements) and the construction of a landscaped parking facility will improve the appearance and functionality of this key commercial area and will attract additional business and result in the upgrade of existing structures.

e. Project Area Planning

Master Plan/Special Zoning Designation for Central Business District
The preparation of a master plan/special zoning designation for a portion of the central business district will provide increased planning flexibility for the revitalization of this key commercial area.

f. Agency-Owned Property Disposition and Development

Property Acquisition
The agency will acquire available properties for community facilities and economic development. The agency's ability to acquire land through eminent domain expires on July 20, 2004.

Table II-5 provides a matrix linking the agency's goals with specific blighting conditions each goal is designed to address. Table II-6 provides a similar linkage concerning the agency's objectives. Table II-7 links each program activity with existing blighting conditions.

Table II-5

	Redevelopment Goals and Blight Linkage				
	GOALS				
Blighting Conditions in the project area	*Alleviate/Prevent the spread of blight and deterioration*	*Attract add'l retail & industrial development*	*Eliminate obstacles to the development of office space and retail uses*	*Support development of housing for all income levels*	*Provide the necessary assistance to increase job opportunities*
Obsolete, aged and deteriorated buildings	✓	✓	✓		✓
Incompatible uses		✓	✓	✓	✓
Inadequate and deteriorated public improvements	✓		✓	✓	

Table II-5 (cont.)

Deteriorated housing conditions and lack of quality housing opportunities for a wide range of income levels	✓			✓	
A lack of neighborhood-serving retail uses and services		✓	✓		✓

Source: Winters Community Development Agency, 2003.

Table II-6

Redevelopment Objectives and Blight Linkage					
Blighting Conditions in the project area	Objectives				
	Improve traffic circulation system	*Upgrade, expand and rebuild infrastructure systems*	*Provide mechanisms to upgrade private buildings*	*Pursue specific opportunities to attract development to the project area*	*Implement an effective economic development strategy*
Obsolete, aged and deteriorated buildings	✓	✓	✓	✓	✓
Incompatible uses			✓	✓	✓
Inadequate and deteriorated public improvements	✓	✓	✓	✓	
Deteriorated housing conditions and lack of quality housing opportunities for wide range of income levels	✓				
Lack of neighborhood-serving retail uses and services	✓			✓	✓
Inadequate public facilities, including public safety, civic center, and library facilities				✓	✓

Source: Winters Community Development Agency, 2003.

Table II-7

Redevelopment Activities and Blight Linkage						
Blighting Conditions in the project area	**Programs and Activities**					
	Public Infrastructure	*Public Facilities*	*Economic Development*	*Project Area Planning*	*Property Disposition and Development*	*Marketing*
Obsolete, aged and deteriorated buildings		✓	✓	✓	✓	
Incompatible uses		✓	✓	✓		✓
Inadequate and deteriorated public improvements	✓		✓	✓		
Deteriorated housing conditions and lack of quality housing opportunities for wide range of income levels	✓		✓	✓	✓	✓
Lack of neighborhood-serving retail uses and services		✓	✓	✓	✓	✓

Source: Winters Community Development Agency, 2003.

III. WINTERS HOUSING IMPLEMENTATION PLAN

The Community Redevelopment Law (CRL) requires the housing portion of the Implementation Plan to set forth specific goals and objectives for the five-year planning period, outline specific projects and expenditures planned for the five years and explain how the stated goals, objectives, projects and expenditures will produce affordable housing units to meet its obligations. In addition the agency recognizes the important role of housing programs and activities in its redevelopment program. The proposed affordable housing programs, therefore, should be viewed not simply as the means of implementing the agency's stated goals and objectives related to affordable housing, but as key elements in its overall revitalization efforts.

A. Agency Accomplishments

The agency is in the process of partnering with the Community Housing Opportunities Corporation (CHOC) of Davis, the California Housing Finance Agency, the U.S. Department of Agriculture Rural Development, and Bank of America to ensure that the Winters Apartments complex continues to provide affordable housing for low-income households and does not convert to market rate housing. On November 5, 2002, the agency approved funding of up to $250,000 to assist CHOC with the purchase and rehabilitation of the Winters Apartments. In addition, the City on February 4, 2003 approved funding in the amount of $185,000 in Community Development Block Grant Program Income funds through a combination loan-grant to assist CHOC with the rehabilitation of the complex. An agreement between the CDA and CHOC will ensure that the apartments will remain affordable to low-income households for a period of not less than 55 years.

B. Overview of Legal Requirements

This section presents an overview of the legal obligations of the Winters Community Development Agency related to the provision of affordable housing in the Winters Redevelopment Project Area (project area). Appendix B presents a more detailed description of these requirements.

1. Implementation Plan Requirements: Housing Activities

The affordable housing planning components required by the CRL to be contained in the Implementation Plan include:

- The number of housing units projected to be rehabilitated, price-restricted, assisted or destroyed.
- A plan for using annual deposits to the low- and moderate-income housing set-aside fund.
- An identification of proposed locations for replacement housing, if units are projected to be removed.
- The project area's Affordable Housing Production Plan, as described below.
- An explanation of how the goals, objectives, projects and expenditures set forth in the Implementation Plan will implement the affordable housing requirements of the CRL, including a housing program for each of the five years of the Implementation Plan.

2. Major Statutory Provisions of CRL for Affordable Housing

The major statutory affordable housing requirements imposed on redevelopment agencies by CRL may be categorized generally as:

- Housing Production Requirement
- Replacement Housing Requirement
- Housing Fund Requirement

Each of these legal requirements and how the agency meets them is discussed in the following sections. More detail on legal requirements is found in Appendix B.

C. AFFORDABLE HOUSING PRODUCTION (INCLUSIONARY) OBLIGATIONS

This section constitutes the Housing Production Plan of the Implementation Plan. Housing developed or substantially rehabilitated in a project area by public or private entities other than the agency, including entities receiving agency assistance, 15 percent of the total number of units must be affordable to very low-, low- and moderate- income households. Of those units, 40 percent must be affordable to very low income households. This 40 percent requirement for very low, translates to 6% of the total units developed or substantially rehabilitated in the project area. (See Appendix B for more detail on inclusionary obligations.) The remaining 60 percent must be affordable to low and moderate income households. This 60 percent requirement for low and moderate, translates to 9% of the total units developed or substantially rehabilitated in the project area. The CRL requires that 30 percent of all housing developed or substantially rehabilitated by an agency must be available at affordable housing cost to very low, low and moderate-income households. This 30% requirement applies only to units developed directly by the agency. As the agency has not developed or substantially rehabilitated any units, there are no projects subject to the 30 percent inclusionary requirement

The first part of this section describes the historical housing production within the project area from the adoption of the Plan in 1992 through 2002. The second section discusses future housing production and agency obligations within the project area. The third section discusses affordable housing production in the project area and the agency's strategy for meeting its inclusionary obligation.

1. Historical Housing Production in the Project Area

While 263 residential units were constructed in the project area during the period from 1992 (after the July 20, 1992 adoption of the project area) through 2002 (based on the issuance of certificates of completion or final inspection approvals in some instances), most of the future construction of residential units will occur outside of the project area. Although the project area is large, it includes only a small amount of the City's undeveloped residential parcels.

Table III-1 shows the historical annual housing production in the project area from July 21, 1992 through 2002 of all types of housing (affordable, market rate, new construction and substantial rehabilitation).

TABLE III-1
Housing Production Summary
Historical and Projected

Year	Total Units Produced[1]		
	New	Substantial Rehabilitation	Total
1992[2]	0	0	0
1993	8	0	8
1994	2	0	2
1995	12	0	12
1996	17	0	17
1997	3	0	3
1998	15	0	15

Housing Production Summary(cont.)

[1] Total units produced is based on a certification of occupancy (or final inspection approval in some instances) for new or substantially rehabilitated units.

[2] For 1992, new and substantial rehabilitation units reported occurred after the July 20 adoption of the project area.

TABLE III-1
Housing Production Summary
Historical and Projected (cont.)

1999	50	1	51
2000	35	1	36
2001	39	0	39
2002	82	2	84
Subtotal	263	4	267

Source: Winters Community Development Agency, 2003.

Table III-2
Project Area Housing Production and Affordable Housing Obligation
Historical and Projected[1]

		Affordable Obligation		Affordable Production		Reserve Affordable Production[2]	
Year	Total Units	Very Low 6%	Low & Moderate 9%	Very Low	Low & Moderate	Very Low	Low & Moderate
Historical							
1992-2002	267	17	25	38	44	21	19
Projected							
2003-2007	163	10	15	32[3]	15		
2008-2012	97	6	9	6	9		
2013-2032[4]	295	18	27	18	27		
Totals							
1992-2032	**822**	**51**	**76**	**94**	**95**		

Source: Winters Community Development Agency, 2003.

2. New Construction – Multi-family

Since 1992, one multi-family affordable apartment development was constructed in the project area. This mixed-use project entailed the substantial rehabilitation of the Cradwick Building and resulted in the construction of six units on the second floor of the building affordable to low-income households in 1998.

3. New Construction– Single Family

Since 1992 (after the July 20, 1992 adoption of the project area), 257 single-family homes, 76 of which are affordable, have been completed in the project area.

4. Rehabilitation

Based on analysis of building department records, affordable housing covenants and loan programs since 1992, 4 units in the project area were substantially rehabilitated, none of these units have long-term affordability restrictions.

---

[1] The CRL requires that at least 15% of total units are affordable to very low, low or moderate income households and that at least 40% of the 15% are affordable to very low-income households (equal to 6% of total units).

[2] The reserve includes 21 very low and 19 low units from the Rural California Housing Corporation (now part of Mercy Housing) sweat equity very low-income and low-income home ownership project.

[3] The affordable production of very low units for the 2003 – 2007 period includes 22 units (substantial rehabilitation) at the Winters Apartments.

[4] The year 2032 is the time limit for project activities.

5. Projected Future Housing Production and agency Obligations

Based on an analysis of the carrying capacity of sites in the project area, the potential for federal and state funding, and the anticipated timing of development, the agency has developed a projection for the number of market rate units that are likely to be built in the project area over the next ten years, as well as those that are likely to be built thereafter. Appendix Tables B1, B-2, and B-3 provide more detailed future housing production numbers over the next five years, the following five years and through the end of the Project. Since most available sites are privately owned, the actual number of new and substantially rehabilitated market rate and affordable housing could be much less.

New Units 2003 to 2012

Between 2003 and 2012, the agency projects that a total of 260 new or rehabilitated dwelling units will be developed in the project area. During the first five years (2003-2007), the agency projects that 163 new units will be developed in the project area. During the next five years (2008 through 2012), the agency estimates that 97 units will be developed in the project area.

New Units 2013 to 2032

Based on the inventory of remaining developable residential land, the agency estimates that 295 new or substantially rehabilitated dwelling units will be developed within the project area from 2013 until the end of the project in 2032.

6. Affordable (Inclusionary) Housing Production

Historically, the agency has met its 15 percent affordable housing production (inclusionary) requirements and anticipates being in compliance through the end of the Project. Table III-2 shows the inclusionary obligation incurred by the agency. Table III-4 shows affordable construction by development in the project area, including those units that meet inclusionary, settlement and replacement obligations.

Eighty-two (82) units constructed within the project area from 1992 to 2002 count toward Inclusionary and 38 are affordable to very low-income households and the remaining 44 (52) are affordable to low income households.

The agency is confident that it will meet its affordable obligation over the 10-year compliance period through 2012. However, the actual number of affordable units will be less if private, market-rate units are less than projected.

Table III-3
Residential Units Removed
Historical and Projected

Historical	Units Removed				
Year(s)	V. Low	Low	Mod.	Total	Year Replaced
1992	0	0	0	0	
1993	0	0	0	0	
1994	0	0	0	0	
1995	0	0	0	0	
1996	0	0	0	0	
1997	0	0	0	0	
1998	0	0	0	0	
1999	0	0	0	0	
2000	0	0	0	0	
2001	0	0	0	0	
2002	0	0	0	0	

Table III-3(cont.)
Residential Units Removed
Historical and Projected

Historical	Units Removed				
Subtotal	0	0	0	0	
Projected					
2003-2007	16	14	0	30	2008
2008-2012	0	0	0	0	
Subtotal	16	14	0	30	
Total	16	14	0	30	

Source: Winters Community Development Agency and Winters Building Department Records, 2003.

D. Replacement Housing Obligation

When residential units housing very low, low and moderate income persons are destroyed or taken out of the low and moderate income market as part of a redevelopment project, the agency must replace those units with new or newly rehabilitated very low, low and moderate-income units. This Replacement Housing Requirement applies to project areas established by the redevelopment plans adopted on or after January 1, 1976. (For more detail on the Replacement Housing Requirement, please refer to Appendix B). The agency has two choices as to how to arrange for replacement of the units removed. The agency can elect to replace units on a unit per unit basis, or the agency can replace units removed on a bedroom per bedroom basis. For example, if the agency removes three 2-bedroom units, those units can be replaced by two 3-bedroom units.

Table III-3 shows the total historical and projected number of dwelling units removed from the project area. To date, the agency has not removed or assisted developments that have removed any very low, low and moderate income dwelling units.

TABLE III-4
Historical project area Affordable Housing Construction
1992 - 2002

	Construction Type			Affordability			Purpose	
Development Name	**Total Affordable Units**	**New Construction**	**Rehab**	**Very Low**	**Low**	**Moderate**	**Inclusionary**	**Replace-ment**
Cradwick[1]	6	6	0	0	6	0	6	0
RCHC[2]	76	76	0	38	38	0	76	0
TOTAL 1992 – 2002	**82**	**82**	**0**	**38**	**44**	**0**	**82**	**0**

Winters Community Development Agency, 2003.

E. HOUSING SET-ASIDE FUND

The CRL requires the agency to set aside, in a separate low and moderate income housing fund (the "housing fund"), at least 20% of all tax increment revenue generated from the project area for the purpose of increasing, improving and preserving the community's supply of low and moderate income housing. Table III-5 presents an estimate of the resources anticipated to be available to the agency's housing set-aside fund.

---

[1] Six residential units affordable to low-income households were constructed on the second floor of the Cradwick Building in 1998.

[2] The Rural California Housing Corporation (which is now part of Mercy Housing) constructed 76 sweat equity single-family homes during the 1998 – 2001 time period. Half of the homes (38) are affordable to very low-income households and the remaining half (38) is affordable to low-income households.

Table III-5
ESTIMATED HOUSING RESOURCES
FY 2003/04 - 2007/08

	2003/04	2004/05	2005/06	2006/07	2007/08
Housing Set Aside Deposit	$114,159	$116,442	$118,771	$121,146	$123,569
Proceeds From 2003 Tax Increment Bond Issuance	$800,000	$-0-	$-0-	$-0-	$-0-
Total Resources	$914,159	$116,442	$118,771	$121,146	$123,569

Prepared by the Winters Community Development Agency.

The primary funding sources for the agency's affordable housing activities during the Implementation Plan period will be proceeds from a 2003 tax increment bond issuance and the receipt of the annual affordable housing set-aside tax increment payments.

The CRL also requires that the agency use housing set-aside funds to assist housing units reserved for households or persons earning less than 120% of area median income, which is very low, low and moderate and targeted to specific income groups based on the fair share of regional housing needs as determined by the Sacramento Area Council of Governments and reported in the City's *Draft* Housing Element. At least 44% of units assisted with housing fund moneys must be for very low income households and at least 29% for low income households. The remaining 27% of units assisted by means of the housing fund may be affordable to very low, low or moderate income categories. (Refer to Appendix B for more detail on Winters' housing fund requirement)

Status and estimated future level of deposits in the housing fund are described below.

1. History and Status

The agency first deposited moneys into its affordable housing set-aside fund in 1993. In Fiscal Year 2001-2002, the agency made a deposit of $109,726 to the housing set-aside fund; the set-aside fund had a balance of $585,452 at the end of Fiscal Year 2001-2002 (June 30, 2002). Affordable housing units constructed in the project area since the inception of the project and through 2002 are detailed in Table III-4

2. Deposits During Next Five Years

In preparing this Implementation Plan, the agency has updated its estimate of future tax increment revenue that will be generated from the project area, and the 20 percent portion of such tax increment revenue that will be deposited in the housing fund. The estimates of tax increment bond proceeds to be deposited in the housing fund during the Implementation Plan period are shown in the Table III-5.

The total five-year (2003-2008) deposit of tax increment bond proceeds into the housing fund is estimated to be approximately $800,000. The agency will expend its available funds in the next five years leaving a zero balance in the housing set-aside fund by the end of 2008.

The agency will seek to combine its housing fund revenue with other funding sources devoted to the provision of affordable housing to maximize the number of affordable units that can be developed or rehabilitated with the limited amount of available housing funds. These other funding sources include CDBG funds and HOME Investment Partnership funds from the U.S. Department of Housing and Urban Development, CalHFA and Department of Housing and Community Development (HCD) program funds at the state level and low income housing tax credit equity funds.

3. Proposed Housing Activities & Projected Expenditures

The agency priority over the next 10 years is to stimulate the rehabilitation of existing single family and affordable multi-family units. Projected sales prices for new market rate housing, should meet moderate income housing needs without subsidies. The agency can also continue to provide matching funds to obtain federal and state grants for the rehabilitation of existing housing. A portion of annual deposits to the housing set-aside fund will be used to retire debt on bond proceeds for affordable housing projects.

The agency will allocate available housing set-aside funds to continue to assist affordable housing programs in the next five years.

In summary, annual deposits to the housing fund for the next five years will be used for the following purposes:

- Assist existing affordable housing programs
- Pay the agency's share of other affordable housing where funds are available
- Match funds for grants for Housing Rehabilitation (HOME, CDBG and CalHFA's HELP Program)
- Administer housing activities
- Retire debt on bond proceeds

F. Projection for Annual Unit Production in the Project Area

The agency estimates the following housing production:

In 2004, the Agency anticipates that the Winters Town Homes and Apartments will be complete. This project will result in the construction of three low-income dwelling units in a rental project with a total of fifteen dwelling. The project consists of two parcels with a total acreage of 1.16 acres, and is located at the intersection of East Main and East Baker Streets.

While the Agency anticipates additional residential projects, there are no pending residential applications for projects located in the project area.

G. GOALS, POLICIES AND PROGRAMS

Table III-6 summarizes the housing goals and policies that relate to meeting the housing production and set aside requirements. The table outlines specific housing policies in the Winters *Draft* Housing Element (scheduled for adoption in 2003) that affect housing activities in the project area.

1. Housing Goals

The agency is committed to assisting the City to achieve its goals, policies and programs presented in the City's *Draft* Housing Element scheduled for adoption in 2003. The City has six goals with respect to housing:

Goal A: To designate adequate land for a balanced range of housing types and densities for all economic segments of the community.
Goal B: To encourage the maintenance, improvement and rehabilitation of the City's existing housing stock and residential neighborhoods.
Goal C: To encourage energy efficiency in both new and existing housing.
Goal D: To ensure the provision of adequate services to support existing and future residential development.
Goal E: To promote equal opportunity to secure safe, sanitary, and affordable housing for all members of the community regardless of race, sex, martial status, national origin or color.

Goal F: Conserve existing affordable housing.

The Community Development Agency will continue to support its housing activities to achieve these goals. Over the next ten years, the agency intends to facilitate housing rehabilitation activities that will assist the City in achieving Goals B, C and E. As described earlier, the agency is proposing to help stimulate other new housing units in the project area. These new housing production activities will particularly assist in achieving Goals A, C, and D. The agency insists on promoting housing opportunities for all persons in its programs, meeting Goal E.

2. Housing Programs

The housing programs undertaken in the project area by agency and non-agency developers will address all of the goals and policies set forth in the housing element.

Table III-6
Affordable Housing Policies
Housing Implementation Plan
Housing Element Policies Affecting the Agency[1]

Goal A: To designate adequate land for a balanced range of housing types and densities for all economic segments of the community.	
Key	**Policy**
P.19	The City shall continue to promote the development of a broad mix of housing types.
P.19	The City shall maintain an adequate supply of residential land in appropriate land use designations and zoning categories to accommodate Winters' fair share of projected regional growth and have as a goal a residential vacancy rate of at least 5 percent.
P.19	The City shall implement its 15-percent inclusionary housing ordinance for all new housing developments.
P.19	The City shall encourage development in the upper one-quarter of the density range in the Medium High Density Residential designation and require it in the upper one-quarter of the density range in the High Density Residential designation.
P.19	While promoting the provision of housing for all economic segments of the community, the City shall seek to ensure the highest quality in all new residential development.
P.19	To address the needs of low-income large families, the City shall promote the development of multi-family rental units with three or more bedrooms.
P.19	The City shall pursue available and appropriate State and federal funding assistance to achieve the new construction objectives of the Housing Element.
P.19	The Affordable Housing Steering Committee shall review all residential development proposals involving 50 housing units or more and encourage the applicant to include a higher percentage of affordable units than the minimum inclusionary requirement.
P.19	The City shall expedite processing and approval of residential projects that conform to General Plan policies and City regulatory requirements.
P.19	The City shall ensure that its policies, regulations, and procedures do not add unnecessary cost to housing production.
P.19	The City shall continue to provide for the development of secondary residential units, as required by State law, while protecting the single-family character of neighborhoods.
P.19	In accordance with the provisions of State law, the City shall grant density bonuses of at least 25 percent and at least one other specified incentive for qualifying projects to promote the inclusion of lower income and senior citizen housing.

[1] These policies reference the City of Winters General Plan *Draft* Housing Element Update Policy Document that is expected to be adopted in 2003.

Table III-6 (cont.)
Affordable Housing Policies
Housing Implementation Plan

Goal A: To designate adequate land for a balanced range of housing types and densities for all economic segments of the community.	
P.20	Residential units that are required to sell or rent at below-market-rates (such as inclusionary or density bonus units) within a housing development that includes market-rate units, the affordable units shall be interspersed within the development and, to the extent reasonable, shall be visually indistinguishable from the market-rate units.
P.20	The City shall allow the installation of mobilehomes and factory-built housing on permanent foundations consistent with the requirements of State law and in accordance with the City's residential design standards.
P.20	The City shall continue to work with the Yolo County Housing Authority in the administration of affordable housing programs.
P.20	The City shall provide incentives to developers to construct ownership housing affordable to low- and moderate-income households.
P.20	The City shall provide incentives for the development of second-story residential uses over commercial and office uses in the Central Business
P.20	The City shall require that 10 percent of the lots in residential subdivisions of 20 or more lots be marketed to local builders or owner-builders.
P.20	The City shall provide incentives to non-profit housing developers to construct housing affordable to very low-, low-, and moderate-income households.

Goal B: To encourage the maintenance, improvement and rehabilitation of the City's existing housing stock and residential neighborhoods.	
Key	**Policy**
P.21	The City shall encourage private reinvestment in older residential neighborhoods and private housing rehabilitation.
P.21	The City shall pursue available and appropriate State and federal funding to meet the rehabilitation objectives of the Housing Element.
P.21	The City shall support the revitalization of older neighborhoods by keeping streets and other municipal infrastructure in good repair.
P.21	The City shall promote the continued upkeep of existing mobilehome parks.
P.21	The City shall require abatement of unsafe structures, giving property owners ample opportunities to correct deficiencies.
P.21	The City shall promote the preservation of architecturally and historically significant residential structures.
P.21	The City shall require rental property owners to provide relocation assistance to tenants displaced by code violations not caused by the tenants.

Goal C: To encourage energy efficiency in both new and existing housing.	
P.21	The City shall require the use of energy conservation features in the design of all new residential structures.
P.21	The City shall promote incorporation of energy conservation and weatherization features in existing homes.

Goal D: To ensure the provision of adequate services to support existing and future residential development.	
Key	**Policy**
P.22	The City shall pursue appropriate State and federal funds, and use Redevelopment funds, for upgrading infrastructure and other public improvements in very low- and low-income neighborhoods.
P.22	The City shall require that new residential development pay for the cost of infrastructure and public services needed for that development.
P. 22	The City shall plan for necessary public facilities and services (including school facilities) in collaboration with other responsible local agencies, so that these facilities and services are available at the time of demand from new residential development.

Table III-6 (cont.)
Affordable Housing Policies
Housing Implementation Plan

Goal E: To promote equal opportunity to secure safe, sanitary, and affordable housing for all members of the community regardless of race, sex, martial status, national origin or color.	
Key	**Policy**
P.22	The City shall provide incentives to developers to address special housing needs of low-income households including the physically and mentally disabled, large families, farm workers, the elderly, and female-headed households.
P.22	The City shall make information on the enforcement activities of the State Department of Fair Employment and Housing available to the public.
P.22	The City shall work with Yolo County and surrounding jurisdictions to address the needs of the homeless on a regional basis.
P.22	The City shall cooperate with community-based organizations that provide services or information regarding the availability of services to the homeless.

Goal F: Conserve existing affordable housing.	
Key	**Policy**
P.22	The City shall support the continued use of Section 8 housing vouchers for Winters' residents.
P.22	The City shall seek to maintain the affordability of existing subsidized multi-family rental housing.

Source: Winters Community Development Agency, 2003.

APPENDIX A

TABLE 1-A
WATER IMPROVEMENTS[1]

Description	Location	Quantity
Install Water Mains	Fourth Street	1600′ of 6″
	Russell Street[2]	1700′ of 6″
	Third Street	525′ of 6″
	Main Street	5600′ of 12″
	Grant Avenue (east of Dutton)	800′ of 12″
	Railroad Avenue (north of Grant)	850′ of 12″
	~~Taylor Street~~[3]	1350′ of 12″
	McArthur Avenue	1200′ of 8″
	Washington Avenue	1050′ of 8″
	Edwards Street	2100′ of 8″
	Abbey Street	2600′ of 8″
	Mermod Place	900′ of 8″ (partial share)
	Mermod Road	550′ of 8″
	Well #2 to East Street	12″
	Lincoln Street	450′ of 8″
	Jefferson Street	550′ of 8″
	Jackson Street	650′ of 8″
~~**Refurbish Well#1** (added project, 100% funding)~~[4]	~~City Corporation Yard~~	Not applicable
Installation Of System-Wide Telemetry (100% funding)	Various	Not applicable
~~**Auxiliary Well Motor** (100% funding)~~[5]	~~Not location specific~~	Not applicable

[1] The June 1992 Community Development Project Area Plan proposed the water system activities listed in Table 1-A with the agency generally paying ten-percent of the total costs (of contracting, engineering, legal, and administrative) for the water main work.

[2] A portion of the Russell Street water main work was completed in 2001 when an 8" main line was installed from the far westerly end of Russell to Emery Street.

[3] The Taylor Street water main work was completed in 2001 when an 8" main line was installed on Taylor from Grant Avenue to a location south of Adams Lane.

[4] Well #1 was abandoned and replaced with the completion of Well #6 in 1995.

[5] Well #6 was constructed with a backup engine while the City purchased a mobile, backup generator for the other water wells in 2000.

TABLE 2-A[1]

WASTEWATER IMPROVEMENTS

Description	Location	Quantity
Install Sewer Mains	Grant Avenue (Railroad to East)	24" (100% funding)
	East Street	30"
	Taylor Street	10" (100% funding)
	Washington Avenue	8"
	Washington Avenue	10"
	First Street	8"
	First Street	10"
	First Street	12"
	Railroad Avenue (Anderson Avenue to Moody Slough Road)	8"
	Railroad Avenue	24"
	Railroad Avenue (Anderson to Grant)	12"

[1] The June 1992 Community Development Project Area Plan proposed the wastewater system activities listed in Table 2-A with the agency generally paying 25-percent of the total costs (of contracting, engineering, legal, and administrative) for the sewer main work. In many instances, the work detailed in Table 2-A is not reflected in the Future Wastewater Collection System proposed as part of the 1992 Sewer System Master Plan.

TABLE 3-A

ROAD IMPROVEMENTS[1]

Description	Location	Quantity
Widen, Acquire ROW, and Striping & Landscaping	Grant Avenue (Dry Creek to I-505)	N/A (100% funding)
Signalize Intersection	Grant/East Main Street	N/A (100% funding)
	Grant/Railroad Avenue	N/A (100% funding)
Rebuild (Reconstruct)	Railroad (south of Grant)	1300' (100% funding)
Acquire ROW	Railroad (south of Grant)	1300' (100% funding)
Rebuild (Reconstruct)	Railroad (Grant to Anderson Avenue)	800' (partial funding)
	Railroad (Anderson to NASP)	4000' (partial funding)
	~~Taylor Street~~[2]	~~1400 (100% funding)~~
	~~Anderson Avenue~~[3]	~~3000' (partial funding)~~
	~~Main Street (Emery Street to East Street)~~[4]	~~3750' (100% funding)~~
	Putah Creek Bridge including pedestrian walk	N/A (10% funding)
Construct	New Putah Creek Bridge and Dam	N/A (10% funding)
Rebuild (Reconstruct)	Mermod Place (south of Anderson)	N/A (100% funding)
	~~Mermod Road~~[5]	~~N/A (100% funding)~~
Extend Road	Elliot Street (East Abbey Street to Grant)	3000' (10% funding)
	Jackson Street	681' (funding share undetermined)
	McArthur Avenue (from Jackson to Taylor)	639' (funding share undetermined)
Other	Assist Grant/Railroad Assessment District[6]	N/A (partial funding)
Utility Under-grounding	Location(s) not designated[7]	N/A (25% funding)

[1] The June 1992 Community Development Project Area Plan proposed the road improvements listed in Table 3-A except for the reconstruct work on Jackson Street and McArthur Avenue.

[2] Taylor Street from Grant Avenue to a location south of Adams Lane received an asphalt concrete overlay in 2001.

[3] Anderson Avenue from the west end of the Winters Cemetery to Railroad Avenue was improved in 2002 through a reconstruction/asphalt concrete overlay project.

[4] Main Street from Emery to Railroad and East Main Street from Railroad to East received asphalt concrete overlays in the 2000-2001 time period.

[5] Mermod Road was reconstructed in 2002.

[6] The Grant/Railroad Assessment District has not been established.

[7] The overhead utility lines (street lighting) on Main Street between Second and Railroad was under-grounded in 2002.

APPENDIX B
OVERVIEW OF REDEVELOPMENT HOUSING REQUIREMENTS

Community Redevelopment Law (the "CRL") requires redevelopment agencies to assist in the provision of affordable housing as part of their overall redevelopment programs. The discussion below presents the major general statutory requirements governing the Winters Community Development Agency's participation in the production of affordable housing.

Major Statutory Provisions of the CRL for Affordable Housing

The major statutory affordable housing requirements imposed on redevelopment agencies by the CRL may be categorized generally as:

- Housing Fund Requirement. Redevelopment agencies are required to expend specified percentages of tax increment revenue for provision of affordable housing.
- Housing Production Requirement. Specified minimum percentages of new or rehabilitated housing units in a project area are to be available at a specified affordable housing cost.
- Replacement Housing Requirement. Agencies must replace housing units removed from the housing stock as a result of redevelopment activities.

1. Housing Fund Requirement

The CRL requires the agency to set aside in a separate segregated low and moderate income housing fund (the "housing fund") at least 20 percent of all tax increment revenue generated from its project areas for the purpose of increasing, improving and preserving the community's supply of low and moderate income housing (CRL Section 33334.2). Under the CRL, the preservation of affordable housing includes preserving low and moderate income housing units which previously have received assistance from federal, state or local government and are currently threatened with conversion to market rate.

The CRL authorizes a broad range of uses for the housing fund, including but not limited to: acquisition of land or buildings; construction of buildings, onsite improvements or offsite improvements; rehabilitation of buildings; paying a portion of the principal and interest on bonds issued to finance affordable housing; the maintenance of the community's supply of mobile homes; and provision of subsidies for financing housing affordability (CRL §33334.2 and §33334.3).

Under CRL, housing fund moneys must be targeted to specific income levels. Agencies are specifically required to expend their housing funds to assist very low, low and moderate income households, generally defined as:

Very Low Income: Incomes at or below 50% of area median income, adjusted for family size
Low Income: Incomes between 51% and 80% of area median income, adjusted for family size
Moderate Income: Incomes between 81% and 120% of area median income, adjusted for family size

The assistance must be provided in at least the same proportion that the total number of housing units needed in the community for the very low and low income categories which are not being provided by other governmental programs bears to the total number of units needed in the community for very low, low and moderate income households. The targeted assistance requirement is applicable over the duration of the redevelopment plan. (H&S Code §33334.4)

Housing assisted with housing fund moneys must be "available at an affordable housing cost". (CRL §33334.3) For housing assisted by housing funds after January 1, 1991, the following affordable housing cost definitions apply:

AFFORDABLE HOUSING COST[1]
Housing receiving assistance after January 1, 1991

Income Level	Rental Housing	Ownership Housing
Very Low Income	30% of 50%	30% of 50%
Lower Income	30% of 60%	30% of 70%
Moderate Income	30% of 110%	35% of 110% but no less than 28% of actual income

For housing assisted by housing funds prior to January 1, 1991, affordable housing cost is defined as rent or cost for rental or ownership housing that does not exceed 25% of gross income of the upper income limit for the target income category.

The CRL also requires that recorded affordability controls be placed on any new or substantially rehabilitated housing assisted with housing fund moneys. In the case of rental housing, controls must be placed on the assisted housing units requiring them to remain affordable for the longest feasible time but no less than 15 years (H&S Code §33334.3[f][1]). For owner-occupied housing, the units must remain affordable for the longest feasible time, but not less than ten years (H&S Code §33334.3[f][2]). According to statutory definition, the "longest feasible time" requirement includes, but is not limited to, a period of unlimited duration (H&S Code §33334.3[g]). If the units meet an inclusionary or replacement requirement the restriction must be for the life of the agency.

New or substantially rehabilitated owner-occupied units, however, may be sold without the affordability restrictions if the agency has a program such as equity sharing or deferred loans, which ensures that the agency will receive a share of sales proceeds to protect its investment. Those funds must be returned to the agency's housing fund. Finally, if an agency utilizes its housing fund to preserve assisted units, the units are required to remain affordable for the longest feasible time and, in any event, beyond the date the subsidies or use restrictions could be terminated and the assisted units converted to market rate rental (H&S Code §33334.3[h]).

The 2003 ***Draft*** Housing Element Background Report for the City of Winters sets out the affordable housing need as identified by the Sacramento Council of Governments in its regional "fair share" allocation. The Table immediately following shows that "fair share" allocation and the targeting objective currently applicable to the agency.

Affordable Housing Need (Regional Fair Share)
Identified in 2003 Winters *Draft* Housing Element By Income Category

Income Category	Units Needed (Fair Share)	Required Proportion
Very Low Income	188	44%
Low Income	125	29%
Moderate Income	118	27%
Total	431[2]	100%

[1] The first percentage means the percent of income that can be spent on housing costs. Housing costs for rental housing include rent, utilities, separately charged fees or service charges, possessory interest, taxes or other fees or charges assessed for use of land and facilities. Housing costs for ownership housing include mortgage principal and interest, utilities, property taxes, property and fire insurance, homeowner association dues and space rent, if land is rented. The second percentage means the percent of area median income.

[2] This is a citywide number.

Source: Winters Community Development Agency, 2003.

Units Constructed to Date with Housing Funds & Proportion by Income Category

Income Category	Units Produced	Actual Percent
Very Low Income	0	0%
Low Income	0	0%
Moderate Income	0	0%
Total	**0**	**0%**

Source: Winters Community Development Agency, 2003.

2. Housing Production Requirement

A. INCLUSIONARY REQUIREMENT

Project areas created by redevelopment plans adopted on or after January 1, 1976 and territory newly added to project areas by amendments adopted on or after January 1, 1976 must meet an affordable housing production or inclusionary obligation (the "Housing Production Requirement"). The Housing Production Requirement begins on the date of adoption of a new or amended redevelopment plan.

The CRL requires that 30 percent of all housing developed or substantially rehabilitated by an agency must be available at affordable housing cost to low and moderate income households (CRL §33413[b][1]). Of those units, 50 percent must be affordable to very low income households. The 50 percent very low income requirement translates to 15 percent of the total units developed or rehabilitated by the agency (50% of 30% equals 15%). This requirement applies only to units developed directly by the agency and does not apply to units developed by housing developers pursuant to agreements with an agency.

When housing is developed or substantially rehabilitated in a project area by public or private entities other than the agency, including entities receiving agency assistance, 15 percent of the total number of units must be affordable to low and moderate income households (CRL §33413[b][2]). Of those units, 40 percent must be affordable to very low income households. The 40 percent very low income requirement translates to 6 percent of the units developed and substantially rehabilitated in the project area (40% of 15% equals 6%).

The definition of substantial rehabilitation triggering the Housing Production Requirement is rehabilitation which involves either three or more multi-family rental units, or, one or two rental or owner-occupied single family units which have received agency assistance and which constitute at least 25 percent of the after-rehabilitation value of the dwelling, inclusive of land value.

Units produced under the CRL's inclusionary provisions must remain affordable to the target households for the longest feasible time, but not less than the period of time the land use controls on the redevelopment plan remain in effect.

The CRL currently permits an agency to count units that are made available at affordable housing cost outside a project area toward the agency's Housing Production Requirements, on a two-for-one basis; that means that two affordable units created outside a project area can be counted the same towards the Housing Production Requirement as one unit created inside the project area.

In addition, the CRL also currently permits an agency to fulfill a portion of the Housing Production Requirement through the use of existing multi-family housing. An agency may meet up to 50 percent of

its Production Requirement by acquiring or causing the imposition of long-term price restrictions on existing multi-family units that are either unavailable at affordable housing cost to low and very low income households or that are affordable to these households but that the agency finds cannot reasonably be expected to remain affordable (CRL §33413[b][2][B]). At least 50 percent of these units must be made available at an affordable housing cost to very low income households and not more than 50 percent of the total units may be counted towards the Housing Production Requirement.

The affordability covenants on these units must be recorded and remain in effect for the longest feasible time, but in no event for less than 55 years for rental units and 45 years for owner-occupied units.

B. Production Plan

The CRL requires agencies to adopt a plan for each project area over each successive ten-year period of the redevelopment program showing how the agency intends to meets its affordable Housing Production Requirement (the "Housing Production Plan") (H&S Code §33413[b][4]). This production plan can be part of the agency's Five Year Implementation Plan. The Housing Production Plan must be consistent with, and may (but need not) be included in the community's housing element, and is to be reviewed and updated as necessary at least every five years in conjunction with the housing element cycle. The CRL also specifies that the Housing Production Plan will be a part of the Implementation Plan.

The Housing Production Plan in general must include the following:

1. Estimates of the number of new, substantially rehabilitated or price-restricted units to be developed or purchased within the project area, both over the life of the redevelopment plan and during the next ten years;
2. Estimates of the number of units of very low, low and moderate income housing required to be developed within the project area to meet the agency's project area housing production obligation, both over the life of the redevelopment plan and during the next ten years;
3. The number of units of very low, low, and moderate income housing that have previously been developed within the project area and meet the agency's project area housing production obligation; and
4. Estimates of the total number of agency-developed units during the next five years and the number of units for very low, low, and moderate income households which will be developed to meet the percentage requirements for affordable agency-developed housing.

If the housing production requirements have not been met at the end of the ten-year period, the agency must meet its production goals on an annual basis until the requirements for the applicable ten-year planning period are met.

3. Replacement Housing Requirement

When residential units housing low and moderate income persons are destroyed or taken out of the low and moderate income market as part of a redevelopment project which is subject to a written agreement with the agency or where financial assistance has been provided by the agency, the agency must replace those units with new or newly rehabilitated low and moderate income units (H&S Code §33413[a]). The units subject to the Replacement Housing Requirement must be replaced within four years after they are destroyed or removed from the market. The agency may replace destroyed or removed units with a fewer number of replacement units if the total number of bedrooms in the replacement units equal or exceed the number of bedrooms in the destroyed or removed units. Also, the replacement units must be affordable in the same income level of households as the destroyed or removed units.

The CRL requires that, at least thirty days prior to acquiring property or adopting a disposition and development or owner participation agreement that will lead to the destruction or removal of low and

moderate income housing units, an agency must adopt by resolution a replacement housing plan (H&S Code §33413.5). A draft of the replacement housing plan must be made available for public review.

The replacement housing plan must include: (a) the general location of the replacement housing; (b) an adequate means of financing the replacement housing; (c) a finding that the replacement housing does not require the approval of the voters pursuant to Article XXXIV of the California Constitution, or that such approval has been obtained; (d) the number of replacement housing units which will house persons and families of low or moderate income; and the timetable for meeting the plan's objectives.

Currently, the Replacement Housing Requirement applies to project areas established by redevelopment plans (or areas added by amendments) adopted on or after January 1, 1976 and merged project areas regardless of the date of establishment of the individual project areas subsequently merged. Replacement units may be located anywhere within the territorial jurisdiction of the agency (H&S Code §33413[a]). An agency may construct replacement housing itself or cause that housing to be developed through agreements with housing developers.

The basic income and affordability standards for replacement housing are the same as those described for use of housing fund moneys. The units must be available at affordable housing cost to households of low and moderate income. In addition, for dwelling units destroyed or removed after September 1, 1989, the CRL requires that 75% of the replacement units be available at an affordable housing cost to the same income level of households (very low, low or moderate income) as the households displaced from the units removed or destroyed (H&S Code §33413[a]).

For example, if 100 units were destroyed and 50 were very low income units, 30 were lower income units, and 20 were moderate income units, then, of the 100 replacement units, at least 38 (75% of 50) must be affordable to very low income households, at least 23 (75% of 30) to lower income households, and at least 15 (75% of 20) to moderate income households. The remaining 24 replacement units need only be affordable to households with incomes not exceeding 120% of area median income.

Replacement housing must remain affordable the longest feasible time, but not less than the period of time that the land use controls of the redevelopment plan remain in effect (H&S Code §33413[c]). The affordability controls on such units must be made enforceable by recorded covenants or restrictions.

U.C. BERKELEY LIBRARIES
C101696021

Appendix Table B-1
Production from Major new Developments
Projection 2003-2008

II. DEVELOPMENT[1]	Total Units[2]	Affordable Obligation[3]	
		Very Low (6%)	Low & Moderate (9%)
--	--	--	--
TOTAL	--	--	--

Source: Winters Community Development Agency, 2003.

APPENDIX C
SETTLEMENT TERMS

In 1994, the Winters Community Development Agency and the City of Winters entered into a settlement agreement to resolve a lawsuit filed in connection with the City's Housing Element. The principal terms of the settlement agreement including the following:

1. The City was required to adopt an inclusionary housing ordinance requiring that at least 15 percent of all new housing units will be affordable to very low-, low- or moderate-income households, with six percent of new housing units being affordable to very low-income households, and nine percent of new housing units being affordable to low- and moderate-income households in proportion to the unmet affordable housing needs for each as identified in the current Housing Element in effect during each four year period.

2. The City is required to ensure that affordable rental and ownership units for very low- and low-income households shall remain affordable for a period of not less than 55 years.

3. The City shall deposit 20-percent of the gross Community Development Agency tax increment allocated to the Agency pursuant to Health & Safety Code § 33670 into the Agency's Low and Moderate Income Housing Fund as required by Health and Safety Code § 33334.2. The "20-percent set aside" from the gross tax increment shall be calculated before the "pass through" of funds to Yolo County and other entities.

4. The City shall provide Legal Services of Northern California annual written reports on its progress towards meeting the 15-percent requirement, in the form of expanded Annual Reports, as currently required by the Community Redevelopment Law at Health & Safety Code § § 33080.1 and 33080.4.

---

[1] As of February 2003, the City has not received any applications for residential projects of more than 15 units located in the project area.

[2] Total new and substantially rehabilitated units in project area (both affordable and market rate).

[3] The overall affordable housing requirement is 15% of total units: for very low income housing is 6% of total units and low and moderate is 9%. This obligation will be met by the mandatory inclusionary ordinance.